Sick Units in Uttar Pradesh

2540. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of INDUSTRY be pleased to state:

(a) how many industrial units are reported sick in Uttar Pradesh at present;

(b) what is the total amount of finance relating to banks, involved in those sick units; and

(c) what action has been taken by Government to revive those sick units?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Data on sick industrial units assisted by banks are collected by the Reserve Bank of India as per the definition of sickness adopted by it. As per the latest data available from it, the number of sick industrial units and amount outstanding against them in the State of Uttar Pradesh are given below:

Large sick units as at the end of June 1986

No. of units	Amount outstanding (Rs. crores)
72	315.80

SSI sick units as at the end of December, 1985

No. of units	Amount outstanding (Rs. crores)
12056	81.69

(c) To revive the sick industrial units in the country as a whole, the Government have taken various steps. The Reserve Bank of India have issued guidelines to the banks for strengthening the monitoring system and for arresting industrial sickness at an incipient stage so that corrective measures are taken in time. The banks have also been directed by the Reserve Bank of India to formulate rehabilitation packages for the revival of potentially viable units on merits of each case. In addition, Government have enacted a comprehensive legislation, namely "The Sick Industrial Companies (Special Provisions) Act, 1985" which provides for setting up of a quasi-judicial body designated as the 'Board for Industrial and Financial Reconstruction' (BIFR) to deal with the problems of sick industrial companies in an effective manner. The BIFR has become operational with effect from 15th May, 1987.

Government have also liberalised recently the Margin Money Scheme with a view to supplement the efforts of the State Governments in reducing the incidence of sickness in small scale units. Moreover, RBI have also issued guidelines separately to the banks for dealing with the problems of small scale units.

Rejection of the scheme for revival of ACC Babcock Ltd.

2541. SHRI SURAJ PRASAD:
SHRI GURUDAS DAS GUPTA:

Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 958 given in the Rajya Sabha on the 3rd August, 1987 and state:

(a) whether it is a fact that the ACC Babcock Ltd., (ABL) has rejected the revival scheme of the IDBI;

(b) if so, what are the details of the IDBI scheme and on what grounds it was rejected by the ABL; and

(c) what is the reaction of Government thereto?